

REPORT

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COUNTRY Poland

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SUBJECT The State Commission for Economic Planning

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REFERENCES:

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THIS IS UNEVALUATED INFORMATION 50X1

1. The State Commission for Economic Planning (Panstwowa Komisja Planowania Gospodarczego - PKPG) was a government organ which directed and controlled the whole state economy. PKPG was directly subordinate to the Council of Ministers and, according to its own statutes, was responsible for:
 - a. Establishing long term state economic plans and working out the directives for their execution,
 - b. Providing the financial means to obtain raw material and other necessities for production and for the execution of all economic plans,
 - c. Coordinating the economic activities of all ministries,

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- d. Controlling the execution of all long and short term economic plans,
 - e. Working out all economic problems on its own initiative or in response to resolutions, bills, or orders of the Council of Ministers.
2. The PKPG was superior to all ministries, and although every minister was subordinate and responsible for his ministry to the Chairman of the Council of Ministers, he had to follow the directives issued by the Chairman of the PKPG and coordinate to them the activities of his ministry in all matters of state economy.
 3. The following independent national institutions were subordinate to the PKPG:
 - a. Central Bureau of Statistics (Główny Urząd Statystyczny) at 1-3 Wawelska Street, Warsaw.
 - b. Central Bureau of Weights (Główny Urząd Miar) on Electoralna Street in Warsaw.
 - c. Patents Bureau (Urząd Patentowy) at 188 Niepodległości Avenue, Warsaw.
 - d. Central Bureau for Vocational Training (Centralny Urząd Szkolenia Zawodowego) at 6-8 Poznańska Street, Warsaw.
 - e. Bureau of Technical Documentation (Biuro Dokumentacji Technicznej) on Foksal Street, Warsaw.
 4. PKPG was located in Warsaw at No. 5 Square of the Three Crosses (Plac 3 Krzyży 5), but the entrance for visitors was on Zurawia Street. It was a four-story, concrete, reinforced steel building. The layout of the building is shown in Annex A.7. It was very well guarded inside by the Industrial Guard. Every visitor had to obtain a pass at the visitor's reception room by presenting his identity card and employment card. It was also necessary to give the name of the department or room to be visited.
 5. In June 1953, PKPG was under the direction of the Chairman, Hilary MINC, who, at the same time, was one of the 10 vice-premiers and a member of the Council of Ministers. Directly under the chairman were two vice-chairmen with minister's rank; 1st vice-chairman, Eugeniusz SZYR, who was MINC's deputy, and 2nd vice-chairman, Adam WANG, who dealt with problems concerning the ministries. The PKPG employed about 2,700 persons and consisted of about 27 departments including the following:
 - a. The Army Team (Zespół Wojskowy)
 - b. Department of Technical Development (Dep. Postępu Technicznego)
 - c. Department of Heavy Industry (Dep. Przemysłu Ciężkiego)
 - d. Department of Light Industry (Dep. Przemysłu Lekkiego)
 - e. Department of Chemical Industry (Dep. Przemysłu Chemicznego)
 - f. Department of Metallurgical Industry (Dep. Przemysłu Metalurgicznego)
 - g. Department of Cooperation with Other Countries (Dep. Współpracy z Zagranicą)
 - h. Department of Investment Planning (Dep. Planowania Inwestycyjnego)

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- i. Department of Employment and Pay (Dep. Zatrudnienia i Plac)
- j. Department of Imports for Investment (Dep. Importu Inwestycyjnego)
- k. Department of Administration of All Materials (Dep. Gospodarki Materjalowej)
- l. Department of Cadres (Dep. Kadr)
- m. Bureau of Nonferrous Metals (Biuro Metali Niezelaznych) located in Katowice.

The Army Team was the largest department in the PKPG and occupied the entire fourth floor of the building. It had a deciding influence on the policy followed by the PKPG and one had the impression that a decision of this department was considered final without referring to the Chairman of the PKPG. It was responsible for giving opinions in all matters concerning planning, new construction, and production, and it controlled the armament industry. The Army Team was probably subordinate to Marshal ROKOSSOWSKI, who was Commander-in-Chief of the Polish Armed Forces, the Minister of National Defense, and also a vice-premier. No information is known about the connections of the Army Team with the USSR except that some of its personnel were Soviet officers.

6. Each department of the PKPG was controlled by a director, and his deputy, a vice-director. Each department was divided into sections. Each section (Wydzial) had some sub-sections (Referat) headed by senior inspectors or inspectors with various numbers of assistants and an auxiliary staff. The number and disposition of departments did not correspond to the number of ministries but to the categories of problems which might arise. The director or vice-director of a department had the right of decision and signature in minor matters. In important matters, or if the problem concerned several departments, letters were signed by one of the vice-chairmen of the PKPG.
7. PKPG did not function very efficiently. Among many other reasons responsible for this inefficiency was over-centralization of power. PKPG dealt very often with very minor economic matters which should have been solved by the lower echelons of industry or administration. For instance, any special requirement for material, which was not included in a plan, no matter how small the quantity, had to be approved by the PKPG. Such special requirements were very frequent, because there was a constant lack of basic materials and semifinished products.
- * 8. Plans were frequently changed, and the changes interfered in the normal systematic work on all levels. New directives, government acts and bills, and countless orders were constantly being issued often contrary to the plans previously issued. This occurred because of poor coordination between the different departments of the PKPG.
9. Many problems arose because of the incompetence of higher officials and the constant change of personnel of PKPG. The directors of the departments and higher officials had to be politically reliable and good Party members. Because some of them did not have the necessary education and experience, they were unable to cope with the problems, and very often issued decisions without proper examination and contrary to the interests of the national economy.
10. The work of the senior employees of all departments consisted to a large extent of attending numerous conferences either at the PKPG or at different ministries. The conferences were arranged to deal mostly with the execution of plans or to render decisions on problems which could not be solved by the lower administrative units. In some cases, inspectors of the PKPG were sent to examine the problem on the spot.

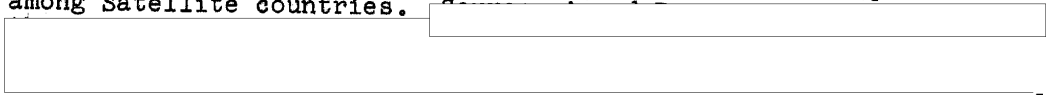
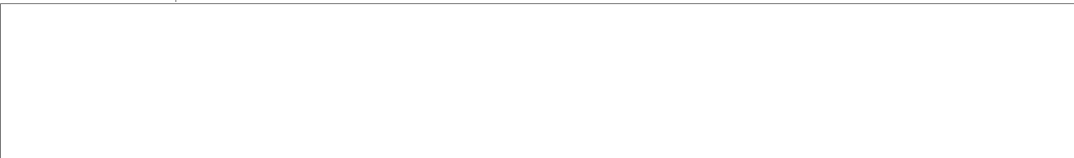
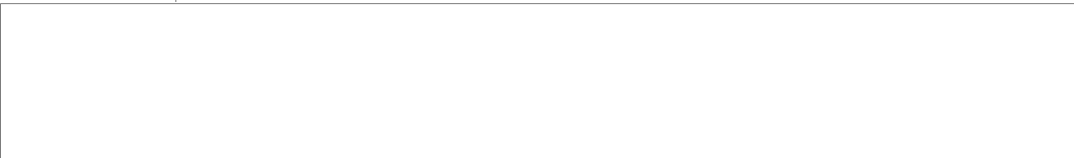
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11. Long-term economic plans were usually worked out far in advance and sent out in rough draft to all ministries for comments and suggestions. Instances where the demands of the plans in respect to output and time were too high, also occasioned the holding of many conferences at all echelons from PKPG to the factory level and vice versa. The demands were always based on Soviet results.
12. The execution of economic plans was scrupulously checked and analysed by PKPG. The bases for the control were the periodical reports received from the ministries and statistical material received from the Central Bureau of Statistics. Every enterprise, factory and governmental office or institution had to send reports of execution of the monthly, quarterly, and yearly plans on a special form. These reports were collected by the regional or other intermediary government agency and forwarded to each ministry on the fifth of each month. The ministries in turn sent the entire report to the PKPG. Neither Source A or B knew how the directives on military aspects of the economic plans were carried out. The armament industry and anything connected with it was called "S" category in all official government bills, directives, and official conversations. All supplies, constructions and production of "S" category had priority and were regarded with high secrecy. Source A heard in one office of the Army Team that the priority was also designated by one, two, or three zeros.
13. Neither Source A or B heard anything about CEMA, and did not know what Soviet organization was responsible for the coordination and integration of the economies within the Soviet Bloc. They believe that it must be an organization directly subordinate to the Soviet Politburo.
14. Sources A and B stated that everybody in Poland knows that the present Communist regime in Poland is in fact a branch of the Soviet Government. All important matters were decided in Moscow and transmitted to Poland in the form of an order or directive to the Central Committee of the Polish United Workers' Party.
The Committee in turn discussed the directive at a prearranged meeting and forwarded it in the form of a "resolution" to the Council of Ministers, which finally presented the law to the appropriate ministry for final execution. All decisions, resolutions, or laws of the Polish Government were only a formality and gave an illusion of an independent Poland. As stated above, in every case, there was a meeting, a discussion, and even voting at Party and governmental level, but no one ever dared to say no.
15. All plans and matters of state economy were imposed by orders of the USSR upon Poland as upon other Satellite countries. There was no exchange of information concerning economic plans of production among Satellite countries.

16. The USSR received periodical reports and all necessary information on production in Poland, probably directly from the State Commission for Economic Planning. The Chairman of the PKPG, MINC, used to visit Moscow secretly on many occasions and probably reported personally and discussed there long as well as short-term economic plans.

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18. Soviet experts came to Poland very often and for various purposes. The Soviet experts travelled in Poland at will attending various conferences at the PKPG. They usually came to Poland at the invitation of a ministry or a department of the PKPG to help to set up plans or projects. Their suggestions, proposals, or advice were always welcomed by the ministers and directors of departments, not so much because they valued their opinion, but because a Soviet signature on the plan absolved the Polish officials to some extent from responsibility if the plan went wrong.
19. Some problems or plans worked on or developed by Polish ministries were submitted to Moscow, studied there, and afterward returned with the final directives. Some plans for building new power plants were entirely worked out by the Soviet "Energo Project" in Moscow and the plants were built in Poland under the supervision of Soviet experts.
20. The position of Hilary MINC, the Chairman of the PKPG, was not entirely clear and neither of the Sources had concrete information about him. Source B heard rumors that MINC opposed the tempo of the Six-Year Plan from the beginning. MINC was of the opinion that the planned tempo of industry development was not realistic and that the collectivization program would cause difficulties. The system of food supply in the country might break down, because of the necessity of transferring too many people from agriculture to industry. MINC was also of the opinion that with the tempo of industrialization, the people should get more food and other commodities. Because of this attitude, MINC was temporarily removed from his position but officially it was made known that he was ill. As a result of this, Vice-Premier JEDRYCHOWSKI, who was in favor of the quick tempo, was probably entrusted with the supervision of the Six-Year Plan, and Vice-Chairman SZYR took over the direction of the PKPG. It is probable that when Hilary MINC returned to PKPG in the autumn of 1952 he was ordered to work on the future 50X1 Five-Year Plan which would start in 1956. In April 1953, at the 50X1 meeting of the Polish United Workers' Party at PKPG, MINC was the main speaker.
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ANNEXES:

- A. Layout of the Building Occupied by the State Commission for Economic Planning
- B. Persons Employed by the State Commission for Economic Planning

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ANNEX A (CONT'D):

LEGEND

- Pt. # 1. Main Entrance.
- # 2. Industrial Guard Room.
- # 3. Furniture Shop.
- # 4. Post Office.
- # 5. Entrance and Exit: used by employees and everyday visitors.
- # 6. Visitors' Reception Room: issuing of passes.
- # 7. Area of Building Occupied by the Ministry of Chemical Industry.

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